



General Assembly

Substitute Bill No. 6530

January Session, 2003

AN ACT CONCERNING THE LICENSING OF LOTTERY VENDORS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 12-815a of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective from passage*):

3 [The executive director of the Division of Special Revenue shall
4 require the person or business organization awarded the primary
5 contract by the Connecticut Lottery Corporation to provide facilities,
6 components, goods or services which are necessary for the operation of
7 the activities of said corporation to submit to state and national
8 criminal history records checks. No such person or business
9 organization may provide such facilities, components, goods or
10 services unless such person or business organization submits to a state
11 police background investigation in accordance with subsection (i) of
12 section 12-574 or is issued a vendor license by the executive director of
13 the Division of Special Revenue. The criminal history records checks
14 required pursuant to this section shall be conducted in accordance
15 with section 29-17a.]

16 (a) No person or business organization shall provide facilities,
17 components, goods or services that are necessary for the operation of
18 the activities of the Connecticut Lottery Corporation unless such
19 person or business organization is issued a vendor license by the

20 executive director of the Division of Special Revenue. In determining
21 whether to grant a license to any such person or business organization,
22 the executive director may require an applicant to provide information
23 as to such applicant's: (1) Financial standing and credit which shall, at
24 the discretion of the executive director, be updated annually; (2) moral
25 character; (3) criminal record, if any; (4) previous employment; (5)
26 corporate, partnership or association affiliations; (6) ownership of
27 personal assets; and (7) such other information as the executive
28 director deems pertinent to the issuance of such license. The executive
29 director shall require each applicant for a vendor license to submit to
30 state and national criminal history records checks before such license is
31 issued. The criminal history records checks required pursuant to this
32 subsection shall be conducted in accordance with section 29-17a. Each
33 such applicant shall pay a nonrefundable application fee of two
34 hundred dollars. The executive director shall issue a vendor license to
35 each applicant who satisfies the requirements of this subsection.

36 (b) A vendor license shall be renewed annually. A nonrefundable
37 application fee shall accompany the application for renewal of the
38 license. Such fee shall be in an amount equal to five per cent of the
39 value of the contract that the vendor had with the state in the
40 preceding year.

41 (c) The executive director may reject for good cause an application
42 for a vendor license and may suspend or revoke for good cause any
43 license issued by said executive director and may impose a civil
44 penalty on any licensee for a violation of any provision of this chapter
45 or any regulation adopted hereunder or under section 12-568a, as
46 amended by this act, in an amount not to exceed two thousand five
47 hundred dollars after a hearing held in accordance with the provisions
48 of chapter 54. Any such applicant aggrieved by the action of the
49 executive director concerning an application for a license, or any
50 person or business organization whose license is suspended or
51 revoked, may appeal to the Gaming Policy Board not later than fifteen
52 days after such decision.

53 (d) The executive director, with the advice and consent of the
 54 Gaming Policy Board, may adopt regulations, in accordance with
 55 chapter 54, to implement the provisions of this section.

56 Sec. 2. Section 12-568a of the general statutes is repealed and the
 57 following is substituted in lieu thereof (*Effective from passage*):

58 The Division of Special Revenue shall adopt regulations, in
 59 accordance with chapter 54, for the purpose of assuring the integrity of
 60 the state lottery, concerning the regulation of the state lottery under
 61 the operation and management of the Connecticut Lottery
 62 Corporation. Such regulations shall include: (1) The licensing of
 63 employees of the Connecticut Lottery Corporation and any person or
 64 business organization [awarded the primary contract by said
 65 corporation to provide] that provides facilities, components, goods or
 66 services which are necessary for the operation of the activities
 67 authorized by chapter 229a; (2) the approval of procedures of the
 68 corporation; (3) the time period for complying with the regulations
 69 governing said approval of procedures; (4) offerings of lottery games;
 70 (5) minimum prize payouts and payments; (6) regulation of lottery
 71 sales agents including qualifications for licensure and license
 72 suspension and revocation; (7) assurance of the integrity of the state
 73 lottery including the computer gaming system, computer internal
 74 control and system testing; and (8) limitations on advertising and
 75 marketing content to assure public information as to the odds of
 76 winning the lottery and the prohibition of sales of tickets to minors.

This act shall take effect as follows:	
Section 1	<i>from passage</i>
Sec. 2	<i>from passage</i>

FIN *Joint Favorable Subst.*